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Global Agricultural Information Network

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Report Highlights:

In this edition, MAFF holds Public Comments on expanding market access for U.S. chipping potatoes; The 1st “New York Fair” at Hankyu Department Store in Osaka proved a great success; The largest supermarket chain in Japan expands its American Food Fair for 2011; Latest Success Stories from the Trade Leads System (TLS); FAS JAPAN Participates in the 2011 California Specialty Crops Council’s MRL Workshop; MHLW detects impermissible levels of radioactive substances in green tea leaves and processed green tea.

The Wasabi

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MAFF Holds Public Comments on expanding market access for U.S. chipping potatoes: On June 1, Japan's Ministry of Agriculture, Forestry and Fisheries (MAFF) announced a public comment period pertaining to the one-month extension of the allowable shipping time for U.S. chipping potatoes to Japan. Presently, U.S. chipping potatoes are only allowed to enter Japan from February 1 to June 30. Requested first in 2010, the announcement is the result of collaborative efforts by FAS, APHIS, and the U.S. potato industry. Working together with Japanese chipping manufacturers, USDA and U.S. potato exporters led MAFF to recognize the economic benefits of extending the import period in response to this season's short domestic supply. In 2010, U.S. exports of chipping potatoes to Japan reached \$1.3 million, the highest level since the market opened in 2006. If approved, the one-month extension could translate into significant sales growth for the U.S. potato industry. The closing date for MAFF's public comment period is set for June 30.

The 1st “New York Fair” at Hankyu Department Store in Osaka proved a Great Success: The Hankyu Department Store, a major department store in Japan, held a “NY Fair” from May 18 to 24, 2011. This was the first American-themed fair ever held at the store. The Agricultural Trade Office (ATO) in Osaka worked closely with Hankyu to arrange the fair by introducing NY food products and NY companies as well as Japanese importers to the store. According to Hankyu representatives, the fair was a great success with 75,000 customers in attendance. Items brought directly from NY specifically for this fair, such as Ess-a-Bagels, Junior's cheese cakes, and Hello Berlin's hot dog, were quite popular and there were long lines of customers who wanted to have a little taste of New York.



The largest supermarket chain in Japan Expands its American Food Fair for 2011: AEON, the largest supermarket chain in Japan, held its annual American fair from May 27 to 30, 2011. This year, the company expanded the scale of the American fair with the participation of about 1,000 stores nationwide carrying a variety of American food products including cherries, beef & pork, salmon & seafood, citrus, vegetables, snacks, beverage and other processed food. The U.S. Embassy's Agricultural Minister-Counselor, Geoffrey Wiggin, and ATO Japan Director, Steve Shnitzler, participated in the fair's opening ceremony held at one of AEON's flag ship stores located in Makuhari.



Latest Success Stories from the Trade Leads System (TLS):

Concord Grape Juice - The biggest dairy manufacturer in the Nagoya region purchased concentrated Concord grape juice from a New York based growers cooperative in December 2010. The Coop was introduced through the TLS as a potential supplier. The deal is a reported 20 ton sale worth approximately \$97,000 was small due to price and available supply. However, future sales are expected to reach \$1,400,000 per year.

Paddlefish Caviar - A small size Japanese company specializing in imported caviar and meats purchased U.S. caviar from a North Carolina based firm in April 2011, via introduction through the TLS process. The purchase totaled 100 kilograms of American paddle fish caviar which is estimated at US\$160,000 retail. The importer has the potential to import more caviar and is talking several other American suppliers that were introduced through the TLS.

Super Sweet Corn - Through the Agricultural Trade Office (ATO) Japan's US-ATO.jp business to business website, the Trade Leads System facilitated a \$2 million annual contract between a high consumption importer of canned super sweet corn with a U.S. manufacturer headquartered New York. The Trade Leads System was instrumental in allowing the importer to explore new sources of supply fully incorporating the expertise of ATO staff and ensured consistent and clear communication between importers and exporters.

FAS JAPAN Participates in the 2011 California Specialty Crops Council's MRL Workshop: During June 1-2, Jennifer Clever, Agriculture Attaché for U.S. Department of Agriculture's Foreign Agricultural Service (USDA/FAS) Japan, participated as a speaker in this year's Maximum Residue Limit (MRL) Workshop hosted by the California Specialty Crops Council. The well-attended event included U.S. and Foreign regulators, U.S. growers, trade associations, and agro-chemical companies. Ms. Clever provided attendees with a brief update on Japan's MRL administration and how to respond to MRL violations. In addition, she described some of the new initiatives FAS Japan is undertaking to address MRL issues in this market.

MHLW Detects Impermissible Levels of Radioactive Substances in Green Tea Leaves and processed green tea:

On June 2, the Ministry of Health, Labor and Welfare (MHLW) officially banned shipments of tea leaves grown in 6 municipalities in the Western Kanagawa Prefecture where tea growers had voluntarily stopped shipments since May 11. The voluntary action in May resulted from a finding of radioactive cesium above permissible levels in the region's tea leaves. MHLW also announced the shipment-ban of tea leaves grown in the Ibaraki Prefecture, 6 municipalities in the Northern Chiba Prefecture and two municipalities in the Tochigi Prefecture.

On June 10, the Fukushima prefectural government detected radioactive cesium higher than permissible levels in processed tea leaves from Shizuoka City, approximately 350 kilometers south-west of the Fukushima Daiichi NPP. The prefectural government noted that this was the first detection of impermissible levels in the prefectures' tea leaves. Prefectural authorities have asked producers to voluntarily stop shipments of tea products. To date, MHLW has not announced a ban on Shizuoka tea products.